BRANDON UNIVERSITY

ANNUAL FINANCIAL REPORT

For the year ended March 31, 2003

BRANDON UNIVERSITY

Founded 1899

104-00486/

BRANDON UNIVERSITY

Responsibility for Financial Statements

The Office of the Vice-President (Administration & Finance) of Brandon University is responsible for the preparation and presentation of the financial statements and accompanying notes. The financial statements are prepared in conformity with the accounting policies noted in the financial statements, and are reviewed and approved by the Board of Governors. The Provincial Auditor of the Province of Manitoba, whose opinion is included herein, examines the statements.

To fulfil its responsibility, the University maintains internal control systems to provide reasonable assurance that relevant and reliable financial information is produced.

Terri Deller, B.A., LL.B.
Treasurer, Board of Governors

Scott J. B. Lamont, CGA, MBA
Vice-President (Administration & Finance)

July 16, 2003

Office of the Auditor General

500 - 330 Portage Avenue
Winnipeg, Manitoba
CANADA R3C 0C4

AUDITOR'S REPORT

To the Legislative Assembly of Manitoba, and
To the Board of Governors of Brandon University

We have audited the statement of financial position of Brandon University as at March 31, 2003 and the statements of changes in net assets, operations and changes in cash flows for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the University as at March 31, 2003, the results of its operations and the changes in its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Winnipeg, Manitoba
May 15, 2003

Jon W. Singleton, CA•CISA
Auditor General

Brandon University

Statement of Financial Position
as at March 31, 2003

ASSETS

	2003	2002
Current Assets		
Cash and cash equivalents (note 3)	$ 6,757,015	$ 10,119,915
Accounts receivable	2,320,104	2,068,343
Inventory	352,661	325,023
Prepaid expenses	184,822	137,549
	9,614,602	12,650,830
Trust and Endowment Funds held by Brandon University Foundation (notes 2D and 4)	21,172,743	20,734,574
Loan receivable (note 8)	83,772	86,054
Investment in Subsidiary Company (notes 2E and 10)	218,188	222,634
Capital Assets and Collections (notes 2F and 6)	42,372,882	38,355,060
	$ 73,462,187	$ 72,049,152

Approved by the Brandon University
Board of Governors on June 26, 2003

J. E. Weller
Treasurer

Scott J. Forrest
Vice-President (Administration & Finance)

The accompanying notes are an intergral part of these financial statements.

LIABILITIES & NET ASSETS

	2003	2002
Current Liabilities		
Accounts payable and accrued liabilities	$ 4,203,292	$ 3,093,448
Due to WESTARC Group Inc. (note 11)	219,370	217,753
Deferred income	187,869	230,191
Deferred contributions (note 7)	2,717,732	2,644,444
Current portion of long term debt (note 12)	81,406	76,560
	7,409,669	6,262,396
Long term Liability		
Mortgages payable (note 12)	1,807,069	1,888,475
Deferred building contribution (note 7)	612,901	4,936,035
Unamortized Deferred Capital Contributions (note 7)	35,069,514	31,020,340
Trust and Endowment Funds (notes 2D and 4)	21,172,743	20,734,574
Net Assets		
Unrestricted net assets	1,729,911	1,614,744
Internally restricted net assets (note 5)	245,486	222,902
Investment in capital assets and collections	5,414,894	5,369,686
	7,390,291	7,207,332
	$ 73,462,187	$ 72,049,152

The accompanying notes are an intergral part of these financial statements.

Brandon University

Statement of Changes in Net Assets
for the year ended March 31, 2003

	Unrestricted Net Assets	Internally Restricted Net Assets	Investment in Capital Assets and Collections	Total 2003	Total 2002
Balance, beginning of year	$ 3,131,995	$ 222,902	$ 5,369,686	$ 8,724,583	$ 8,268,113
Change in accounting policy (note 19)	(1,517,251)			(1,517,251)	(1,517,251)
	1,614,744	222,902	5,369,686	7,207,332	6,750,862
Reclassify account balances	671			671	3,200
Restated balance, beginning of year	1,615,415	222,902	5,369,686	7,208,003	6,754,062
Excess of revenues over expenses	87,307			87,307	425,110
Direct increases to net assets					
Donations of capital assets			94,981	94,981	16,697
Transfer of WESTARC assets (net of amortization)					11,463
Transfers					
Internally funded					
Capital asset additions	(933,448)		933,448		
Capital asset disposals (net)	2,278		(2,278)		
Amortization	1,057,503		(1,057,503)		
Repayment of long term debt	(76,560)		76,560		
Allocation to internally restricted net assets	(30,617)	30,617			
Internally restricted net asset purchases	8,033	(8,033)			
Balance, end of year	$ 1,729,911	$ 245,486	$ 5,414,894	$ 7,390,291	$ 7,207,332

The accompanying notes are an intergral part of these financial statements.

Brandon University

Statement of Operations
for the Year Ended March 31, 2003

	2003	2002
Revenues		
Tuition fees	$ 9,413,683	$ 8,507,469
Grants		
Council on Post-Secondary Education	22,183,494	20,814,576
Province of Manitoba	417,177	1,770,964
Government of Canada	1,197,739	1,312,668
City of Brandon	50,000	50,000
Sales of goods and services	4,624,272	4,663,439
Brandon University Foundation	1,335,284	1,272,077
Amortization of deferred capital contributions	1,454,012	1,395,377
Gain on disposal of capital assets	9,506	606
Miscellaneous	989,616	866,100
	41,674,783	40,653,276
Expenses		
Salaries - academic	14,044,472	12,995,006
Salaries - support	9,976,878	9,935,255
Benefits	3,371,474	2,987,763
Travel	1,488,807	1,352,944
Supplies and other expenses	5,201,674	5,252,148
Property taxes	1,399,884	1,854,627
Utilities	1,025,459	990,270
Cost of goods sold	1,752,983	1,603,675
Scholarships and bursaries	768,506	656,318
Interest on long term debt	140,028	144,571
Amortization expense	2,511,515	2,362,747
Loss of subsidiary	4,446	68,290
Increase/(decrease) in amount of accrued expenses	(98,650)	24,552
	41,587,476	40,228,166
Excess of revenues over expenses	$ 87,307	$ 425,110

The accompanying notes are an intergral part of these financial statements.

Brandon University

Statement of Cash Flow
for the Year Ended March 31, 2003

	2003	2002
Cash Provided By (Used In) Operating Activities		
Excess of revenues over expenses	$ 87,307	$ 425,110
Items not affecting cash flow		
Amortization of deferred capital contributions	(1,454,012)	(1,395,377)
Amortization of capital assets	2,511,515	2,362,747
Gain on disposal of capital assets	(9,506)	(375)
Loss of subsidiary	4,446	68,290
Decrease in non-cash operating working capital	816,426	517,552
	1,956,176	1,977,947
Cash Provided By (Used In) Investing Activities		
Decrease in loan receivable	2,282	2,107
Capital asset additions	(6,531,615)	(1,395,679)
Proceeds on disposal of capital assets	11,784	2,352
	(6,517,549)	(1,391,220)
Cash Provided By (Used In) Financing Activities		
Long term debt repayments	(76,560)	(72,017)
Capital contributions received	1,275,033	568,257
	1,198,473	496,240
Increase/(decrease) in cash and cash equivalents	(3,362,900)	1,082,967
Cash and cash equivalents, beginning of year	10,119,915	9,036,948
Cash and cash equivalents, end of year	$ 6,757,015	$ 10,119,915

The accompanying notes are an intergral part of these financial statements.

Brandon University

Notes to the Financial Statements
for the year ended March 31, 2003

1. Authority and Purpose

Brandon University operates under the authority of the Brandon University Act of the Province of Manitoba. Brandon University offers undergraduate programs in arts, science, education, music, and health studies; and offers graduate programs in education, music and rural development. The University is a registered charity and is exempt from the payment of income taxes.

2. Summary of Significant Accounting Policies and Reporting Practices

A. General

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

B. Revenue Recognition

Operating grants are recognized as revenue in the period received. Revenues received for the provision of goods and services are recognized in the period in which the goods are provided or the services rendered or substantially rendered.

The University accounts for contributions using the deferral method. Deferred contributions are externally restricted non-capital contributions which are deferred and are recognized as revenue in the period in which the related expenses are incurred. Externally restricted amounts can only be used for the purposes designated by external parties.

Externally restricted contributions for the acquisition of capital assets having limited lives are recorded as deferred capital contributions in the period in which they are received and, when expended, are transferred to unamortized deferred capital contributions. Unamortized deferred capital contributions are recognized as earned revenue in the periods in which the related amortization expense of the funded capital asset is recorded.

C. Short Term Investments

Short term investments are recorded at cost and are unspent operating, capital and restricted funds that are invested to generate income used to fund general operations of the University. Short term investments also includes a mutual fund that provides a benefit provision for a former WESTARC employee as a part of that individual's contract of employment.

D. Trust and Endowment Fund

In order to consolidate fund raising activities and the administration of trust and endowment funds, Brandon University, Brandon University Foundation and Brandon University Alumni Association entered into an agreement in October 1989, which was updated in April 2001. The parties to the agreement recognize and agree that the University has exclusive and ultimate control over the consolidated assets and for the eventual disposition of all funds collected on its behalf in the future.

Funds transferred from the Brandon University Foundation to the University are recorded as revenue in the period they were received by the University.

The net change in the funds held by the Foundation, as a result of the Foundation's activities over the year, is added to Funds held by Brandon University Foundation and to the Trust and Endowment Fund.

E. Investment in Subsidiary Companies

The University accounts for its investment in the subsidiary companies in accordance with a modification of the equity method. Under this method, contributions to the subsidiary companies and earnings of the subsidiary companies are added to the investment in the subsidiaries. Dividends received from the subsidiary companies are deducted from the investment in the subsidiaries. The income or losses of the subsidiaries are included in the statement of operations.

F. Capital Assets and Collections

Capital assets purchased by the University are recorded at cost. Donated assets are recorded at the fair market value on the date received. On the disposition of a capital asset, both the cost and any accumulated amortization are removed from the accounts.

Capital assets are amortized on a straight line basis over the estimated useful lives of the assets. Amortization rates are as follows:

Buildings	50 years
Furnishings and equipment	10 years
Computer equipment	5 years
Vehicles	5 years
Library collections	10 years

The capital assets include collections of works of art, gemstones and rare books which have been donated to the University. These collections are not amortized.

G. Inventory

Inventories are valued at the lower of cost and net realizable value.

H. Pension Plans

The University contributes to the Brandon University Retirement Plan which is a trustee-administered pension plan for University employees. Contributions by the University are recorded as expenses.

The accounts of the Brandon University Retirement Plan do not form part of the financial statements of the University. The Auditor General audits the financial statements of the Plan.

3. Cash and Cash Equivalents

Cash and cash equivalents are summarized as follows:

	2003	2002
Cash	$ 580,817	$ 452,981
Short term investments	6,129,200	9,619,936
Mutual funds	46,998	46,998
	$6,757,015	$ 10,119,915

The fair market value of the short term investments and mutual funds is $ 6,180,340 , (2002 -$ 9,678,760).

4. Funds Held by Brandon University Foundation

The trust and endowment funds held by the Brandon University Foundation of $21,172,743 as at December 31, 2002 have been included with the assets of the University. The investments of the Foundation are recorded at cost. The transactions from January 1, 2003 to March 31, 2003 which would have decreased the fund balance by approximately $ 77,702 have not been included in these financial statements.

The value of outstanding pledges to the Foundation as at March 31, 2003 is $ 195,771 (2002 - $ 376,164). These will be recorded as revenue by the University when transferred to the University from the Foundation.

5. Internally Restricted Net Assets

Internally restricted net assets represent amounts set aside by the University for the following specific purposes:

	Opening Balance	Current Provision	Purchases	2003 Closing Balance
Ancillary enterprises	$ 154,218	$ 30,617	$	$ 184,835
Mail/Print services	1,350			1,350
Telephone replacement	27,718		(8,033)	19,685
Vehicle replacement	39,616			39,616
	$ 222,902	$ 30,617	$ (8,033)	$ 245,486

6. Capital Assets and Collections

	Cost	Accumulated Amortization	2003 Net Book Value	2002 Net Book Value
Land	$ 500,530	$	$ 500,530	$ 500,530
Buildings	62,333,505	(27,591,592)	34,741,913	31,324,070
Furniture and equipment	13,312,118	(9,073,843)	4,238,275	3,944,661
Library collections	5,979,289	(4,164,278)	1,815,011	1,603,627
Collections	1,077,153		1,077,153	982,172
	$ 83,202,595	$(40,829,713)	$ 42,372,882	$ 38,355,060

Capital asset additions during the year included donations in kind in the amount of $ 94,981 , (2002- $ 16,697).

7. Deferred Contributions and Unamortized Deferred Capital Contributions

Deferred contributions represent contributions received for special purposes and unspent funds for restricted purposes. Unamortized deferred capital contributions represent the funded portion of capital assets which will be recognized as revenue in future periods and matched against the applicable amortization charged in that period. Changes in the deferred contributions and unamortized deferred capital contributions balances are as follows:

	2003 Deferred Contributions	2003 Unamortized Deferred Capital Contributions	2002 Deferred Contributions	2002 Unamortized Deferred Capital Contributions
Balance, beginning of year	$ 7,580,479	$ 31,020,340	$ 7,264,550	$ 31,800,192
Contributions received	7,428,042		6,834,937	
Transfers to revenue				
Tuition, grants and contributions	(6,174,702)		(5,902,883)	
Amortization of assets acquired from capital assets		(1,454,012)		(1,395,977)
Transferred to acquire capital assets	(5,503,186)	5,503,186	(616,125)	616,125
Balance, end of year	$ 3,330,633	$ 35,069,514	$ 7,580,479	$ 31,020,340
Balance consists of:				
Research	$ 1,675,401		$ 2,110,196	
Special programs	1,042,331		534,248	
Capital	612,901		4,936,035	
	$ 3,330,633		$ 7,580,479	

The deferred capital contribution was a one time grant received in March, 2001 from the Council on Post-Secondary Education for the expansion of the health studies facilites.

8. Loan Receivable

The University issued a loan of $96,240 to Bran-U-Day Care Inc. on April 1, 1995 to cover the remaining debt on the building. The terms are monthly installments of $694.92 due on the 1st day of each month with the entire amount due on the 1st day of April, 2005. The rate of interest is 8.125% for this 5 year period.

The loan receivable as at March 31, 2003, was $ 83,772 , (2002- $86,054).

9. Pension Plans

Actuarial valuations of the Brandon University Retirement Plan are carried out every three years and provide an estimate of the accrued pension benefits. The next actuarial valuation is required as at December 31, 2003 and will be completed in 2004. Based on the latest actuarial valuation of the plan conducted as at December 31, 2000, accrued pension benefits were $62,244,000. This valuation established a Plan surplus of $11,162,000 using the accrued benefit method as at that date. This method used actuarial assumptions with regard to demographics, rate of return on investments and salary increases to compare the Plan's assets with its liabilities in respect of past service.

The market value of the assets under management was $ 69,539,677 at December 31, 2002 (2001 - $75,899,755).

Pension contributions by the University for the year ended March 31, 2003 were $ 1,171,027 (2002 - $ 1,003,381).

10. Investment in Subsidiary Companies

Brandon University Holding Company Limited was incorporated in 1985 as a wholly-owned subsidiary company of Brandon University. The Holding Company was established for the purpose of holding shares in subsidiary companies. WESTARC Group Inc., a wholly-owned subsidiary company of Brandon University Holding Company Limited, was incorporated in 1985. WESTARC Group Inc. was established to disseminate expertise from the University to the public and private sectors.

The following is a summary of the investment in Brandon University Holding Company Limited for the year ended March 31, 2003:

	2003	2002
Investment, beginning of year	$ 222,634	$ 290,924
Net loss from operations	(4,446)	(68,290)
Investment, end of year	$ 218,188	$ 222,634

11. Related Party Transactions

As at March 31, 2003, there was an amount of $ 219,370 (2002 - $ 217,753) due to WESTARC Group Inc. from Brandon University. This amount is non-interest bearing with no set repayment terms.

12. Long-Term Liability - Mortgages Payable

	2003	2002
Canada Mortgage and Housing Corporation 5 1/8% mortgage, $41,608 combined principal and interest payable semi-annually July 1 and January 1 to 2012.	$ 619,738	$ 669,280
Canada Mortgage and Housing Corporation 8 1/4% mortgage, $66,686 combined principal and interest payable semi-annually April 1 and October 1 to 2021.	1,268,737	1,295,755
	1,888,475	1,965,035
Current portion of long term debt	81,406	76,560
	$ 1,807,069	$ 1,888,475

Principal payments in the next five years are as follows:

2004	$ 81,406
2005	$ 86,578
2006	$ 92,097
2007	$ 97,990
2008	$ 104,282

13. Brandon Centennial Auditorium Corporation Inc.

Under an arrangement between the University, the Province of Manitoba and the City of Brandon, the University built an Auditorium on its property for the benefit of the citizens of Western Manitoba. The expenditures for the building and furnishings were financed from contributions by the Governments of Canada and Manitoba, the City of Brandon and citizens through fundraising campaigns.

The Auditorium has been leased to the Brandon Centennial Auditorium Corporation Inc. for a nominal consideration of $1 under a 99 year lease which expires 2064 A.D. The University is reimbursed for services supplied to the auditorium as required by the agreement.

14. Knowles-Douglas Student Union Centre

The Knowles-Douglas Student Union Centre has been leased to the Knowles- Douglas Student Union Centre Inc. for the nominal consideration of $1 per year under a 50 year lease which expires 2035 A.D. The University supplies certain services to the Centre as required by the lease.

15. Commitments

An agreement between the University and the Brandon University Students' Union Inc. provides for the equal sharing of profits of the University's bookstore operations. The Students' Union share of profits amounted to $65,895 for the year ended March 31, 2003 (2002 - $57,548).

16. Accrued Expenses

The following expenses have been accrued and will be funded from future revenues:

	2003	2002
Unfunded employee benefits - vacation accruals	$ 579,259	$ 528,142
Unfunded employee future benefits	587,000	548,000
Unfunded property taxes	276,893	465,661
	$ 1,443,152	$ 1,541,803

17. Employee Future Benefits

Accounting standards require the use of accrual accounting for costs related to employee future benefits. These non-pension benefits include severance and retiring allowance benefits payable upon retirement. The costs of these future benefits have been determined by an actuary and the costs will be recognized over the service life of the employees or the period to full eligibility of the employee group depending on the type of cost.

The actuarial valuation provides the present value of benefit obligations as well as the current cost and the interest cost on the benefit obligation. This accrued benefit obligation has not been funded.

	2003	2002
Accrued benefit obligation, beginning of year, as previously reported	$ 548,000	$ 539,000
Actuarial adjustment		(20,000)
Accrued benefit obligation, beginning of year, restated	548,000	519,000
Employer accrual	29,000	29,000
Benefit payments	(35,000)	(35,000)
Interest at 6.75%	37,000	35,000
Accrued benefit obligation, end of year	579,000	$ 548,000
Accrued benefit obligation, restated at 6.5%	8,000	
Accrued benefit obligation, as restated	$ 587,000	

18. Financial Instruments

The financial instruments of the University consist of cash and cash equivalents, accounts receivable, long-term investments, accounts payable, amounts due to (from) related parties and long-term debt. Unless otherwise noted, it is management's opinion that the University is not exposed to significant interest, currency or credit risks arising from these financial instruments.

19. Change in Accounting Policy

Prior to 2003 the Accrued Expenses (note 16) were reported as Expenses Funded from Future Revenues in the Statement of Financial Position. A decision was made to expense these costs.

As a result of this change in policy, the prior periods have been adjusted retroactively, effective March 31, 2001. The result of this was to decrease the opening balance of Net Assets by $1,517,251 as at April 1, 2001 and decrease the March 31, 2003 closing balance by $1,443,153 (2002 - $1,541,803) and increase/(decrease) the excess of revenues over expenses at March 31, 2003 by $98,650 (2002 - ($24,552)).

20. Restatement of Accounts

Comparative figures for the year ended March 31, 2002 have been restated where necessary to conform with the presentation adopted for the year ended March 31, 2003.

Brandon University

Additional Financial Information
for the year ended March 31, 2003

The foregoing consolidated financial statements and accompanying notes to the financial statements have been audited by the Auditor General for Manitoba and are the subject of the audit report dated May 15, 2003.

The following schedules 1 through 8 have been prepared to provide additional information and are not covered in the Auditor's report. The information in schedule 7 is used for the program costing calculations.

Schedule 1
(unaudited)

Brandon University

Detailed Schedule of Operations - Unrestricted
for the Year Ended March 31, 2003

	General Operating	Ancillary Operations	Total 2003	Total 2002
REVENUES				
Tuition fees	$ 7,313,771	$	$ 7,313,771	$ 6,830,400
Grants				
Council on Post-Secondary Education	20,085,202	216,588	20,301,790	20,188,392
City of Brandon	50,000		50,000	50,000
Sales of goods and services		4,008,638	4,008,638	3,840,570
Brandon University Foundation	1,335,284		1,335,284	1,272,077
Amortization of deferred capital contributions	1,454,012		1,454,012	1,395,377
External cost recoveries	615,634		615,634	822,869
Internal cost recoveries	146,375		146,375	136,860
Gain on disposal of capital assets	9,506		9,506	606
Miscellaneous	440,189		440,189	350,102
	31,449,973	4,225,226	35,675,199	34,887,253
EXPENSES				
Salaries - academic	12,353,667		12,353,667	11,373,131
Salaries - support	7,036,350	915,430	7,951,780	7,882,635
Benefits	2,795,697	138,546	2,934,243	2,582,705
Travel	741,657		741,657	758,303
Supplies and other expenses	3,282,244	820,130	4,102,374	4,160,319
Property taxes	1,399,884		1,399,884	1,854,627
Utilities	715,922	309,537	1,025,459	990,270
Cost of goods sold		1,752,983	1,752,983	1,603,675
Scholarships and bursaries	768,506		768,506	656,318
Interest on long term liabilities		140,028	140,028	144,571
Amortization	2,511,515		2,511,515	2,362,747
Loss of subsidiary	4,446		4,446	68,290
Net increase in accrued vacation pay	51,118		51,118	15,998
Net increase in accrued future employee benefits	39,000		39,000	9,000
Net decrease in accrued property taxes	(188,768)		(188,768)	(446)
	31,511,238	4,076,654	35,587,892	34,462,143
Excess of revenues over expenses	$ (61,265)	$ 148,572	$ 87,307	$ 425,110

Schedule 2
(unaudited)

Brandon University

Detailed Schedule of Operations - Restricted
for the Year Ended March 31, 2003

	Research & Special Projects	Special Programs	Restricted Capital	Total 2003	Total 2002	Deferred Contributions 2003	Deferred Contributions 2002	Transfer To Statement of Operations 2003	Transfer To Statement of Operations 2002
Revenues									
Tuition fees	$	$ 2,099,912	$	$ 2,099,912	$ 1,677,069	$	$	$ 2,099,912	$ 1,677,069
Grants									
COPSE	1,041,400	1,406,600	409,840	2,857,840	1,030,568	(976,136)	(404,384)	1,881,704	626,184
Province of Manitoba	301,866			301,866	2,237,658	115,311	(466,694)	417,177	1,770,964
Government of Canada	1,618,839			1,618,839	1,434,546	(421,100)	(121,878)	1,197,739	1,312,668
Miscellaneous	549,585			549,585	455,096	(158)	60,902	549,427	515,998
	3,511,690	3,506,512	409,840	7,428,042	6,834,937	(1,282,083)	(932,054)	6,145,959	5,902,883
Expenses									
Salaries - academic		1,690,805		1,690,805	1,621,875			1,690,805	1,621,875
Salaries - support	1,714,759	310,339		2,025,098	2,052,620			2,025,098	2,052,620
Benefits	177,235	259,996		437,231	405,058			437,231	405,058
Travel	326,562	420,588		747,150	594,641			747,150	594,641
Supplies and other expenses	949,277	296,398		1,245,675	1,228,689			1,245,675	1,228,689
	3,167,833	2,978,126		6,145,959	5,902,883			6,145,959	5,902,883
Excess of revenues over expenses	$ 343,857	$ 528,386	$ 409,840	$ 1,282,083	$ 932,054	$ (1,282,083)	$ (932,054)	$ -	$ -

Schedule 3
(unaudited)

Brandon Universitv

Deferred Contributions and Unamortized Deferred Capital Contributions
for the Year Ended March 31, 2003

	Research & Special Projects	Special Programs	Restricted Capital	Total 2003	Total 2002	Unamortized Deferred Capital Contributions 2003	Unamortized Deferred Capital Contributions 2002
Contributions received							
Tuition and related fees	$	$ 2,099,912	$	$ 2,099,912	$ 1,677,069	$	$
Grants	2,962,105	1,406,600	409,840	4,778,545	4,702,772		
Miscellaneous	549,585			549,585	455,096		
Expenses	(3,167,833)	(2,978,126)		(6,145,959)	(5,902,883)		
Transfers from (to)							
Unrestricted accounts	(28,072)			(28,072)			
Capital aquisitions	(749,909)	(20,303)	(4,732,974)	(5,503,186)	(616,125)	5,503,186	616,125
Capital asset disposals (net)							(600)
Amortization of deferred capital contributions						(1,454,012)	(1,395,377)
	(434,124)	508,083	(4,323,134)	(4,249,175)	315,929	4,049,174	(779,852)
Deferred balance, beginning of year	2,110,196	534,248	4,936,035	7,580,479	7,267,750	31,020,340	31,800,192
Reclassify deferred balances	(671)			(671)	(3,200)		
Restated deferred balance, beginning of year	2,109,525	534,248	4,936,035	7,579,808	7,264,550	31,020,340	31,800,192
Deferred balance, end of year	$ 1,675,401	$ 1,042,331	$ 612,901	$ 3,330,633	$ 7,580,479	$ 35,069,514	$ 31,020,340

Schedule 4
(unaudited)

Brandon Universitv

Schedule of Investment in Capital Assets and Collections for the Year Ended March 31. 2003

	Total 2003	Total 2002
Balance, beginning of year	$ 5,369,686	$ 5,475,401
Internally funded capital asset additions		
General operating funds		
Land and buildings		
Furniture and equipment	359,133	306,652
Library acquisitions	538,678	462,621
Ancillary operations		
Furniture and equipment	35,637	5,047
	933,448	774,320
Non-amortizable capital asset donations	94,981	16,697
Disposals (net) - internally funded capital assets	(2,278)	(1,379)
Amortization of internally funded capital assets	(1,057,503)	(967,370)
Repayment of long term debt	76,560	72,017
Balance, end of year	$ 5,414,894	$ 5,369,686

Schedule 5
(unaudited)

Brandon University

Schedule of Operating Grants and Other Revenues
for the Year Ended March 31, 2003

	Total 2003	Total 2002
Grants		
Council on Post Secondary Education		
Operating	19,712,312	19,325,512
Renovations and equipment	330,000	330,000
	20,042,312	19,655,512
City of Brandon	50,000	50,000
Brandon University Foundation	348,484	395,215
Miscellaneous		
Rentals	22,001	21,089
Sundry	49,764	76,244
Interest income	291,637	180,266
	363,402	277,599
Total Operating Grants and Other Revenues	$ 20,804,198	$ 20,378,326

Schedule 6
(unaudited)

Brandon University

Detailed Schedule of Tuition Fee Revenues
for the Year Ended March 31, 2003

	Total 2003	Total 2002
Tuition Fees		
Undergraduate courses		
Regular session	$ 6,167,449	$ 5,718,996
Spring session	203,189	170,753
Summer session	110,460	73,434
Campus Manitoba	131,950	130,872
	6,613,048	6,094,055
Graduate courses	211,783	291,408
Music Conservatory	377,245	345,863
Other student fees	111,695	99,074
Total Tuition Fee Revenues	$ 7,313,771	$ 6,830,400

Schedule 7
(unaudited)

BRANDON UNIVERSITY

Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2003

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct: Cost Recoveries	Total March 31, 2003	Total March 31, 2002
Faculty of Arts								
Office of the Dean	311,523	138,224	52,965	50,477	58,571	2,163	609,597	548,161
Drama	66,847		8,937		687		76,471	72,887
Economics	137,697		24,056	2,010	1,863		165,626	228,860
English	352,009		41,546	4,304	2,627		400,486	370,199
History	295,466		39,927	2,579	2,291		340,263	322,122
Languages	211,468		31,635	2,926	2,089		248,118	229,978
Gender & Women's Studies					62		62	
Philosophy	209,453		28,943	1,321	1,291		241,008	232,515
Political Science	273,770		28,073	201	2,051		304,095	296,272
Religion	159,360		21,331	2,546	2,210		185,447	191,938
Sociology	336,182		42,944	2,086	4,094		385,306	364,234
Native Studies	376,496		50,454	8,039	5,552		440,541	389,213
Business Administration	210,322		29,443	216	5,323		245,304	245,958
Fine Arts	73,652		9,901	510	1,634	1,085	84,612	80,422
Anthropology	81,989		10,824	377	2,228	2,050	93,368	79,393
Rural Development	221,845		31,067	1,915	5,535		260,362	241,696
Archeology Field School		3,744	340	962	5,813	2,819	8,040	5,227
Spring/Summer	84,448		6,722	2,761	2,213	1,015	95,129	
	3,402,527	141,968	459,108	83,230	106,134	9,132	4,183,835	3,899,075
Faculty of Science								
Office of the Dean	85,937	135,382	33,283	35,605	54,083		344,290	465,152
Botany	311,570	8,672	45,459	5,062	20,587		391,350	377,743
Chemistry	330,896	11,326	51,763	5,086	17,534	28	416,577	414,827
Geography	385,587	6,969	55,070	10,576	19,662		477,864	480,211
Geology	282,730	4,237	46,677	9,829	13,116		356,589	350,437
Mathematics/Comp. Sci.	697,755	15,881	96,739	8,608	24,465	838	842,610	793,401
Physics/Astronomy	402,119	3,900	56,090	7,965	12,358		482,432	475,673
Psychology	536,719	8,585	64,801	8,155	13,812	377	631,695	638,047
Zoology	405,462	10,514	62,489	8,715	27,958		515,138	452,886
Spring/Summer	7,231	814	677		2,733		11,455	22,857
	3,446,006	206,280	513,048	99,601	206,308	1,243	4,470,000	4,471,234

Schedule 7
(unaudited)

BRANDON UNIVERSITY

Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2003

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct Cost Recoveries	Total March 31, 2003	Total March 31, 2002
Faculty of Education								
Office of the Dean	193,366	136,416	41,965	53,942	41,750	621	466,818	399,558
Field Experience	176,751	33,014	18,524	19,604	19,420		267,313	205,833
Educational Foundations	326,495		44,715		5,624		376,834	340,711
Humanities	432,341		51,088		7,058	738	489,749	431,582
Mathematics & Science	428,326		54,583		6,577	122	489,364	386,721
Administrative Services	297,766		39,989		2,131		339,886	261,913
Physical Education	385,234		60,565	1,354	10,681		457,834	460,482
Joint Music Education					100		100	358
Graduate Studies	68,943		5,047	3,629	6,192		83,811	85,371
Spring/Summer	39,955		3,259	2,112	3,301		48,627	50,463
	2,349,177	169,430	319,735	80,641	102,834	1,481	3,020,336	2,622,992
School of Music	1,290,640	95,760	189,783	80,333	198,811	19,847	1,835,480	1,631,904
School of Health Studies	1,090,156	66,268	170,882	56,693	128,563		1,512,562	1,272,640
Applied Disaster & Emergency Studies	87,488	1,756	13,960	14,180	69,988		187,372	14,376
First Nations Counselling	220,636	32,149	34,646	15,898	50,418	400	353,347	298,367
Rural Development	100,430	36,482	20,268	2,435	29,954	1,554	188,015	200,539
Chancellor/Senate		148,665	22,529	8,072	44,520	2,100	221,686	205,969
Music Conservatory	328,424	1,064	3,987	469	50,010	1,888	382,066	364,232
Total Academic	12,315,484	899,822	1,747,946	441,552	987,540	37,645	16,354,699	14,981,328
Library Services		936,197	141,979	17,699	215,803	68,439	1,243,239	1,099,213
Student Services								
Student Services		954,948	143,695	39,095	65,847	3,924	1,199,661	1,125,096
Athletic Programs		108,950	21,483	104,936	181,852	163,360	253,861	378,215
		1,063,898	165,178	144,031	247,699	167,284	1,453,522	1,503,311
Administration								
Board of Governors		23,311	3,239	3,595	21,417		51,562	36,069
President		295,739	24,801	16,793	176,058		513,391	374,815
Vice-President (Administration & Finance)		15[illegible]	19,891	9,106	11,175		190,593	161,621
Vice-President (Academic & Research)		360,316	49,035	17,246	55,685	660	481,622	435,414
		829,787	96,966	46,740	264,335	660	1,237,168	1,007,919

Schedule 7
(unaudited)

BRANDON UNIVERSITY

Detailed Schedule of Operating Expenses
for the Year Ended March 31, 2003

	Academic	Support	Benefits	Travel	Supplies & Other Expenses	Deduct: Cost Recoveries	Total March 31, 2003	Total March 31, 2002
General Support								
Convocation		1,542	25	2,224	14,864	30	18,625	26,804
Information Technology Services		491,782	76,603	3,394	513,224		1,085,003	827,371
Development		287,723	42,819	15,437	121,599	12,807	454,771	465,483
Financial & Registration Services		532,819	95,223	3,012	8,489	39,792	599,751	686,060
Gymnasium facility		86,634	10,469		8,965	6,567	99,501	89,954
Human Resources		269,586	105,359	8,230	53,610		436,785	394,685
Institutional membership fees					17,207		17,207	16,859
Mail Room		30,913	4,551		2,364		37,828	59,751
Print Shop		32,283	5,312		77,929	146,375	(30,851)	(25,060)
Professional fees					72,149		72,149	84,238
		1,733,282	340,361	32,297	890,400	205,571	2,790,769	2,626,145
Miscellaneous Initiatives								
B.J. Hales Museum		12,213	2,180	29	1,446	2,394	13,474	11,554
Bran-U-Day Care subsidy					4,873		4,873	4,700
Office of International Activities		49,485	6,764	6,276	23,834		86,359	80,837
English for Academic Purposes		113,554	10,484	1,287	13,968	159,326	(20,033)	(19,861)
Research development/buyouts/USRA					86,579		86,579	55,428
Other		2,067	39,835		106,051		147,953	209,568
BGS Program					7,398		7,398	7,200
Junior Kindergarten		34,974	6,726		2,093	37,691	6,102	3,108
Recruitment & promotion					54,832		54,832	48,493
Campus Manitoba	38,183	12,182	4,040		24,375		78,780	149,985
University scholarships					117,190		117,190	
CIDA/International Scholarships					49,195		49,195	44,288
	38,183	224,475	70,029	7,592	491,834	199,411	632,702	595,300
Physical Plant								
Plant maintenance		445,258	103,694	2,267	90,210	6,576	634,853	558,004
Steam Plant		57,336	8,121		15,600		81,057	71,628
Buildings & grounds		697,833	104,930		61,986	1,411	863,338	873,985
Insurance					71,582		71,582	55,932
Security					42,495		42,495	34,774
Service Contracts					42,361		42,361	39,638
Property Taxes					1,399,884		1,399,884	1,854,627
Utilities					715,922	75,012	640,910	595,525
		1,200,427	216,745	2,267	2,440,040	82,999	3,776,480	4,084,113
Total Operating Expenses	$ 12,353,667	$ 6,887,888	$ 2,779,204	$ 692,178	$ 5,537,651	$ 762,009	$ 27,488,579	$ 25,897,329

Schedule 8
(unaudited)

Brandon University

Detailed Schedule of Ancillary Operations
for the year ended March 31, 2003

	Bookstore	Food Services	Parking	Residence	Total 2003	Total 2002
Revenues						
Room and board fees	$	$ 722,777	$	$ 752,480	$ 1,475,257	$ 1,431,268
Conventions		83,714		94,779	178,493	158,135
Canteen and vending machines		213,364			213,364	255,220
Internal functions		80,027			80,027	77,318
Other	152,389	45,040	133,070	112,812	443,311	427,774
Book sales	1,618,186				1,618,186	1,490,855
Total Revenues	1,770,575	1,144,922	133,070	960,071	4,008,638	3,840,570
Expenses						
Salaries	195,871	471,325	50,991	197,243	915,430	1,038,193
Staff benefits	29,482	78,183	6,708	24,173	138,546	130,670
Cost of goods sold	1,277,841	475,142			1,752,983	1,647,963
Management fees		37,193			37,193	35,793
Supplies and other expenses	91,112	123,169	46,602	421,483	682,366	563,819
Rent	34,676				34,676	34,743
Utilities		59,155	6,606	243,776	309,537	305,904
Students' Union share of Bookstore profit	65,895				65,895	57,548
Total Expenses	1,694,877	1,244,167	110,907	886,675	3,936,626	3,814,633
Net Gain (Loss) from Operations before Specific Provision and capital acquisitions	75,698	(99,245)	22,163	73,396	72,012	25,937
Appropriated Specific Provision	(8,747)			(21,870)	(30,617)	(30,473)
Capital purchases & alterations	(1,056)	(13,884)		(20,697)	(35,637)	(5,047)
Net Gain/(Loss)	$ 65,895	$ (113,129)	$ 22,163	$ 30,829	$ 5,758	$ (9,583)